

# Appendix H-3

## Purpose and Rationale for Drayage Truck Requirements

Advanced Clean Fleets Regulation

California Air Resources Board

Date of Release: August 30, 2022  
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## **Section 2014. In-Use On-Road Heavy-Duty Drayage Trucks Applicability, Definitions, and Exemptions**

### **Purpose**

The purpose of this section is to identify the entities that are subject to the requirements of this proposed regulation section 2014 (proposed regulation), to establish which vehicles are excluded, and to set forth definitions for the various terms used throughout the proposed regulation text.

### **Rationale**

This section is necessary because it clarifies which entities are responsible for complying with this proposed regulation. It is important to establish the responsible entities to ensure the success of meeting the goal of maximizing emissions reductions by transitioning drayage fleets to zero-emission technology. It is necessary to identify the excluded vehicles to prevent unintended vehicles from having to comply with the proposed requirements. Finally, defining the various terms used in the proposed language helps to avoid misinterpretation of this proposed regulation.

### **Subsection 2014 (a). Applicability**

#### **Purpose**

The purpose of this subsection is to identify the regulated entities for this proposed regulation. These regulated entities include owners and operators of on-road heavy-duty drayage trucks operated at California seaports and intermodal railyards, drayage motor carriers, marine or seaport terminals, intermodal railyards, and railyard and seaport authorities. Another goal of this section is to establish the start date for this proposed regulation.

#### **Rationale**

This subsection is necessary to establish which parties are subject to this proposed regulation. The proposed regulation is intended to reduce emissions from drayage trucks by transitioning this fleet to zero-emission technology by 2035.

### **Subsection 2014 (b). Definitions**

#### **Purpose**

The purpose of this subsection is to set forth definitions for terms used in the proposed regulation order and identifies the sections for which the definitions apply.

## **Rationale**

This subsection is necessary to define terms and to provide clarity as to what is required and how the proposed regulation's requirements must be met.

### **"Authorized dealer"**

#### **Purpose**

The purpose of this definition is to define "authorized dealer" as an independent sales, service, or repair facility that is recognized by a motor vehicle manufacturer as a sales representative or is authorized and capable of performing repairs to factory specifications, including warranty repair work.

#### **Rationale**

This definition is necessary to set forth the meaning of an authorized dealer to validate vehicle purchases only if made from an authorized dealer, commonly recognized by industry. Verification of the ability to perform repair work under warranty is necessary for the sake of excluding dealers that are not authorized to ensure purchased vehicles and emissions systems are fully compliant with original equipment manufacturer specifications. This is necessary to ensure fleets meet the requirements by purchasing ZEV from authorized dealers of the ZEV manufacturer.

### **"Beneficial cargo owner"**

#### **Purpose**

The purpose of this definition is to define "Beneficial cargo owner" as a cargo owner, the person or entity for whose account the ocean or rail transportation is provided, the person to whom delivery is to be made, a shippers' association, or an ocean or rail transportation intermediary that accepts responsibility for payment of all applicable charges.

#### **Rationale**

This subsection is necessary because a beneficial cargo owner contracts with Drayage Motor Carriers. The requirements under this proposed regulation apply to drayage motor carriers and their relationship to beneficial cargo owners, which is a fundamental component of their identification.

## **“Bill of lading”**

### **Purpose**

The purpose of this definition is to define “Bill of lading” as a document that states the terms of the contract between a shipper or consignor and a receiver or consignee. It serves as a document of title of the goods shipped, a contract of carriage, and a receipt for goods.

### **Rationale**

This definition is necessary because it describes a document that regulated entities can submit to CARB to verify information about freight movement, including the origin and destination of cargo. This document may also be kept for recordkeeping purposes.

## **“Broker”**

### **Purpose**

The purpose of this definition is to define “Broker” as any person that, as a principal or agent, sells, offers for sale, negotiates for, or holds itself out by solicitation, advertisement, or otherwise as selling, providing, or arranging for, transportation by a motor carrier for compensation. A motor carrier, or person who is an employee or an agent of a carrier, is not a broker when it arranges or offers to arrange the transportation of shipments which it is authorized to transport and which it has accepted and legally bound itself to transport.

### **Rationale**

This definition is necessary to identify entities that direct truck movements without owning the assets that compete for the same business as motor carriers that own their own trucks. This definition is also selected to be consistent with other existing CARB regulations that define “broker,” to align the proposed ACF regulation with other fleet regulations and to maintain consistency in fleet education and enforcement.

## **“CARB”**

### **Purpose**

The purpose of this definition is to define “CARB” as the acronym for the California Air Resources Board.

## **Rationale**

This definition is necessary to identify the State Board within CalEPA as the governing body for reporting and recordkeeping requirements, applications for exemptions or extensions, and for enforcement. CARB has been granted the authority to develop and adopt this proposed regulation, and if adopted, CARB staff will implement and enforce it.

## **“CARB online system”**

### **Purpose**

The purpose of this definition is to define “CARB online system” as a CARB Online System that drayage truck owners or entities with common ownership or control shall report information to regarding their drayage trucks to CARB. The CARB online system can be found on the Advanced Clean Fleets webpage.

### **Rationale**

This definition is necessary to identify the mechanism that will allow CARB to collect reported drayage truck data, as required by the proposed regulation.

## **“Class I railroad”**

### **Purpose**

The purpose of this definition is to define “Class I railroad” as a railroad that is defined as Class I by the Surface Transportation Board.

### **Rationale**

This definition is necessary because entities that are responsible for the operation of Class I Railyards are designated as a “Railyard authority” in this proposed regulation and are responsible for reporting data to CARB for drayage trucks visiting these facilities that are subject to this proposed regulation. In addition, it is necessary to define this term because it is used as part of the definition for Drayage Motor Carriers (a regulated entity).

## **“Class 7, Class 8”**

### **Purpose**

The purpose of these definitions is to define each vehicle weight class category by GVWR.

## **Rationale**

This definition is necessary to distinguish the different vehicle classes because the weight class is an indicator of vehicle size, type, and function, and are terms commonly used by industry to differentiate vehicles by GVWR. The definition is necessary because the weight range varies slightly depending on the source. Vehicle class distinction is necessary for reporting purposes and for identifying vehicles that may utilize exemptions or extensions.

## **“Common ownership or control”**

### **Purpose**

This purpose of this definition is to define “Common ownership or control” as being owned or managed on a day-to-day basis by the same person or entity. Vehicles managed by the same directors, officers, or managers, or by distinct corporations that are controlled by the same majority stockholders are under common ownership or control, even if their titles are held by different business entities or they have different taxpayer identification numbers. Furthermore, a vehicle is under an entity’s control if the vehicle is operated using that entity’s state or federal operating authority or other registration. Vehicles owned by different entities but operated using common or shared resources to manage the day-to-day operations using the same drayage motor carrier number, displaying the same name or logo, or contractors who represent the same company are under common ownership or control. Common ownership or control of a federal government vehicle shall be the primary responsibility of the governmental agency that is directly responsible for the day-to-day operational control of the vehicle. Common ownership or control includes relationships where the controlling party has the right to direct or control the vehicle as to the details of when, where, and how work is to be performed or where expenses for operating the vehicle, such as fuel or insurance, are shared. Common ownership or control does not include agreements for individual loads that are competitively bid and issued to the lowest qualifying bid.

### **Rationale**

This definition is necessary because it describes complex relationships in the freight industry that covers a wide range of business models for entities that compete for the same contracts and work. A clear definition of what constitutes as common ownership or control helps to demystify identification of this type of relationship. Entities with common ownership or control are responsible for compliance with this proposed regulation, as such there should be no ambiguity surrounding their identity. This definition of common ownership or control provides examples of considerations when determining applicability, to further clarify this term.

Vehicles that are owned or managed on a day-to-day basis by the same person or entity are effectively under the control of that entity. The controlling entity is therefore positioned to manage the composition of the whole fleet and should be responsible for compliance. This ensures that entities with a vehicle ownership model are treated the same as entities that use a common ownership and control model. For example, "ABC Trucking" owns most if not all of its fleet, while "CBA Trucking" typically services its customers and many of its routes with contractors that own their own vehicles that display the "CBA Trucking" logo and are directed by "CBA Trucking" on a day-to-day basis. This approach maintains a level playing field for companies using different vehicle ownership or control models, and minimizes the potential for regulated parties to circumvent the rule requirements by changing their business model.

The same reasoning applies to vehicles managed by the same directors, officers, managers, or corporations controlled by the same majority stockholders, necessitating inclusion of the language. Additionally, this clause prevents avoiding the applicability thresholds by separating into distinct legal entities while effectively providing the same services as a single fleet.

It is necessary to identify if vehicles using an entity's operating authority or other registration are considered under common ownership or control because operating authority gives the entity the right to control which loads to take or jobs the vehicle must do. Operating authority is required to offer services for hire to shippers.

It is necessary to include vehicles operated using common resources to manage the day-to-day operations using the same motor carrier number, displaying the same name or logo, or contractors who represent the hiring entity because fleets have many different business practices when it comes to managing a fleet and its composition. Using the same motor carrier number gives the controlling entity the right to control which loads to take or jobs the vehicle must do. Including language about displaying the same name or logo is necessary because it is another simple way to identify vehicles operated as part of the same hiring fleet in the field. Logos can be trademarked or copyrighted, and their use on the vehicles provide a clear indicator of a controlling relationship. In this way, the entity that uses contractors with day-to-day control of the fleet of vehicles is treated the same as other fleets and the language is necessary to maintain a level playing field and to minimize the potential for loopholes. The compliance responsibility lies with the controlling party because they ultimately determine the total fleet composition and which contractors are used where an individual contractor cannot have visibility over the whole fleet of vehicles manage by the controlling party, and does not have any influence over the rest of the fleet.

It is necessary to establish that federal vehicles are the responsibility of the governmental agency with day-to-day operational control of the vehicles are responsible for reporting and compliance with the vehicles they manage. This makes is clear the responsibility lies with the individual agency and that the federal government does not burdened with a requirement to track every vehicle in the State to determine

compliance as a single entity when there would be no expected advantages to doing so.

It is necessary to establish that the definition includes relationships where the controlling party has the right to direct or control when, where, and how work is to be performed whether the right is exercised or not. Additionally, it is necessary to establish that the definition includes relationships where expenses for operating the vehicle are shared as another method to show the vehicle operation is not independent and is under common control. Fuel and insurance are examples of expenses that are commonly shared and are clear indicators of a controlling relationship that is straight forward to determine and relatively simple to audit for enforcement purposes.

## **“Controlling party”**

### **Purpose**

The purpose of this definition is to define “Controlling party” as the drayage motor carrier, broker, or entity that directs, or otherwise manages the day-to-day operation of one or more fleets under common ownership or control to serve the customers or clients.

### **Rationale**

This definition is necessary to establish the types of entities that may be considered as the controlling parties for purposes of compliance with the regulation for situations where drayage trucks are managed under common ownership and control. Motor carriers and brokers are entities that commonly have common ownership or control over vehicles, and other entities are included to ensure all entity types are included in the definition. The controlling party with common ownership or control of trucks shall ensure that the trucks under their control are compliant with all provisions of this proposed regulation the same as a fleet owner with the same vehicle composition. The importance of this responsibility necessitates establishing a clear definition for controlling party.

## **“Declared emergency event”**

### **Purpose**

The purpose of this definition is to define “Declared emergency event” time period of an emergency event declared or duly proclaimed by a local governing body, state Governor, or the President of the United States during the emergency conditions described in California Government Code section 8558.



## **Rationale**

This definition is necessary to establish a period of time during which vehicles may operate in emergency support operations and are excused from immediate compliance as specified in the regulation. It is necessary to specify that emergencies must be declared events by the U.S. President, a state Governor, or other local governing body because those are the entities that have authority to declare such events. The list of event types points to existing California Government Code definitions for various conditions of emergency for simplicity and to align with existing definitions. Events that occur routinely, or are scheduled maintenance activities to prevent potential emergencies, are not included because they are planned daily operations that are part of normal business practices or services and should not be exempt due to foreseeable occurrences.

The duration of each declared emergency is unique and cannot be predicted in advance and the period of time vehicles need to be used to respond to emergencies is established in the declaration or in supporting contracts in response to the declaration. The intent of provisions relying on this definition are to alleviate immediate threats to public safety while establishing a specific time period when the emergency operation has ended for each unique event.

## **“Dedicated use vehicles”**

### **Purpose**

The purpose of this definition is to define “Dedicated use vehicles” as uni-body vehicles that do not have separate tractor and trailers or are vehicles using a PTO with a hydraulic motor or blower, attached to the trailer that needs the PTO to load or unload. There are some examples given of these vehicles provided.

### **Rationale**

This definition is necessary to define an exempt vehicle category. Similar to drayage trucks, dedicated use vehicles are often used in and around seaports and intermodal railyards. However, these vehicles are distinct from drayage trucks and not subject to the proposed requirements because of their specialized configurations.

## **“Dispatch”**

### **Purpose**

The purpose of this definition is to define “Dispatch” as providing direction or instruction for routing a vehicle, whether owned or under contract, to specified destinations for specific purposes, including delivering or receiving cargo, property, or goods, or providing a service.

## **Rationale**

This definition is important because it defines the action that links the motor carrier to the drayage truck moving the cargo. Drayage motor carriers and entities with common ownership and control may dispatch truck operators to California seaports and intermodal railyards. It is critical that drayage motor carriers only dispatch compliant vehicles. In addition, transactions with dispatched vehicles are documented through various summaries of dispatching records. Recordkeeping of these type of documents are required and should be available upon request to CARB staff.

## **“Drayage motor carrier”**

### **Purpose**

The purpose of this definition is to define Drayage motor carrier as any person or entity, or broker, that contracts with a beneficial cargo owner, ship companies, seaport terminals, intermodal railroads, or others for pick-up and delivery of goods with a drayage truck owner, or who dispatches drayage trucks to seaports and/or intermodal railyards to pick up and/or deliver goods.

### **Rationale**

This definition is necessary to clearly define drayage motor carriers. Also, recordkeeping requirements for these entities are outlined in this proposed regulation. The motor carrier definition in the California Vehicle Code is chosen, to be consistent with commonly used definitions of motor carrier.

## **“Drayage truck”**

### **Purpose**

The purpose of this definition is to define “Drayage truck.”

### **Rationale**

This definition is necessary because it characterizes the regulated vehicles. Drayage is defined as a Class 7 or 8 truck transporting cargo, such as containerized bulk, or break-bulk goods, that operates on or transgresses through seaport or intermodal railyard property for the purpose of loading, unloading or transporting cargo, including transporting empty containers and chassis or off seaport or intermodal railyard property transporting cargo or empty containers or chassis that originated from or is destined to a seaport or intermodal railyard property. Given that drayage trucks are not technically a specific vehicle category, it is important to be explicit about which vehicles are captured in 2014. This subsection also illustrates what drayage trucks are not, further clarifying the regulated vehicles. This level of distinction

allows staff to better capture vehicles that are participating in the practice of “dray-off,” where a compliant drayage truck exchanges a container (empty or full), trailer with bulk cargo, or a chassis that originates from, or is destined to, a seaport or intermodal railyard property with a noncompliant drayage truck off seaport or intermodal railyard property anywhere within the State of California.

## **“Drayage truck identification number”**

### **Purpose**

The purpose of this definition is to define “Drayage truck identification number” as a unique identifier issued to the owner of a drayage truck upon registering in the CARB Online System that corresponds to the drayage truck registered.

### **Rationale**

This definition is necessary because it will be used to identify vehicles have registered with CARB. Also, motor carriers and entities with common ownership or control are required to keep records that contain the drayage truck identification numbers for contracted or dispatched drayage trucks for at least five years from the contracted or dispatched date for enforcement purposes.

## **“Drayage truck operator”**

### **Purpose**

The purpose of this definition is to define “Drayage truck operator” as the driver of a drayage truck or any person, party or entity that controls the operation of a drayage truck at a California seaport or intermodal railyard facility.

### **Rationale**

This definition is necessary because it describes a regulated entity.

## **“Drayage truck owner”**

### **Purpose**

The purpose of this subsection is to define “Drayage truck owner” as the person registered as the owner of a drayage truck as indicated by the Department of Motor Vehicles, or its equivalent in another state, province, or country; or the International Registration Plan; or the lessee of the truck, as indicated on the drayage truck's registration pursuant to CVC section 4453.5

## **Rationale**

This definition is necessary to identify and describe the responsible person for compliance with this proposed regulation. This definition is needed to allow the vehicle owner to transfer the compliance responsibility to the lessee of the vehicle. Additionally, there are specific roles and responsibilities of a vehicle owner as well as the owner of the leased vehicle.

## **“Emergency operations”**

### **Purpose**

The purpose of this definition is to define "emergency operation" as the operation of an emergency support vehicle to help alleviate an immediate threat to public health or safety in response to a declared emergency event. Emergency operation includes emergency support vehicle travel to and from a declared emergency event when dispatched by a local, State, federal, or other responsible emergency management agency. Routine operation to prevent public health risks does not constitute emergency operation.

### **Rationale**

This definition is necessary to set forth the circumstances during which authorized emergency support vehicles, in addition to vehicles claiming exemptions for emergency use, can provide emergency response services.

It is necessary to limit operations to alleviating immediate threats to public health or safety and only when responding to declared emergency events because many fleets have emergencies they routinely respond to within their normal service territories. The intent of this definition is to limit operations to extraordinary circumstances to enable nimble response to major declared emergencies, not to cover issues that fleets deal with on a daily basis, nor to cover emergency prevention service.

Including vehicle travel to and from an event when dispatched by local, state, or federal agencies is necessary because the vehicles may need to travel some distance to assist with the event and it would potentially be impractical to transport all vehicles in a rapid response situation.

## **“Executive Officer”**

### **Purpose**

The purpose of this definition is to define “Executive Officer” as the Executive Officer of the CARB, or their delegated representative.

## **Rationale**

This definition is necessary to specify which executive officer is being referenced throughout 2014. The CARB executive officer can grant exemptions to drayage trucks, and approve a VIN if a manufacturer cannot obtain a federal number from the Highways Traffic Safety Administration. The executive officer can also collect records from regulated entities. These authorities associated with this role necessitates a specific definition.

### **“Government agency”**

#### **Purpose**

The purpose of this definition is to define "government agency" as any federal, state, or local public agency, or any other public entity with taxing authority.

## **Rationale**

This definition is necessary to establish the types of agencies referred to when describing documentation to show the dispatch of a vehicle to support an emergency event.

### **“Gross vehicle weight rating (GVWR)”**

#### **Purpose**

The purpose of this definition is to define GVWR as having the same meaning as the California Vehicle Code Section 350.

## **Rationale**

This definition is necessary because it identifies the specific vehicle weights that are subject to the proposed regulation order. The GVWR definition in the California Vehicle Code is chosen to be consistent with commonly used definitions of GVWR.

### **“Heavy-duty”**

#### **Purpose**

The purpose of this definition is to define “Heavy-duty” as a manufacturer's gross vehicle weight rating of greater than 26,000 pounds.

## **Rationale**

This definition is necessary because it specifies the GVWR of a heavy-duty drayage truck and identifies the applicable vehicles for this proposed regulation.

## **“Hubodometer”**

### **Purpose**

The purpose of this definition is to define "hubodometer" as a non-resettable device mounted on the axle of a vehicle that measures distance traveled that has a serial number and a lock-out feature that permanently prevents tampering.

### **Rationale**

This definition is necessary to define a hubodometer as it applies to the vehicle information drayage truck owners are required to report, which includes odometer readings. If a vehicle's odometer is not functional, the serial number from a hubodometer with a non-resettable odometer is required to be reported in addition to its readings. It is necessary that the hubodometer have a serial number and lock-out features to enhance enforceability of requirements based on vehicle mileage.

## **“Intermodal railyard”**

### **Purpose**

The purpose of this definition is to define “Intermodal railyard” as a facility owned or operated by a Class I Railroad that receives both drayage trucks and locomotives.

### **Rationale**

This definition is necessary to identify the type of railyards that are defined subject to the requirements in this proposed regulation (2014).

## **“International registration plan (IRP)”**

### **Purpose**

The purpose of this definition is to define "International registration plan (IRP)" as a registration reciprocity agreement among states of the United States and provinces of Canada providing for payment of license fees on the basis of total distance operated in all jurisdictions.

## **Rationale**

This definition is necessary because a person can register as the owner of a drayage truck with the DMV, or its equivalent in another state, province, or country, or the IRP. On-road vehicles can also register with the DMV, its equivalent in another state, province, or country, or the IRP.

## **“Legacy drayage truck”**

### **Purpose**

The purpose of this definition is to define “Legacy drayage truck” as a non-zero-emission drayage truck with a 2010 or newer engine model year that is registered in the CARB Online System on or before January 1, 2024.

### **Rationale**

This definition is necessary to identify the legacy vehicles that are regulated under this proposed regulation. The owners of legacy drayage trucks must register these vehicles in the CARB Online System and provide information on the vehicle’s useful life as the age and mileage. There is also a visit requirement for legacy drayage trucks. A component of this proposed regulation is to transition the legacy drayage truck fleet to ZE technology by 2035.

## **“Lessee”**

### **Purpose**

The purpose of this definition is to define “Lessee” to have the same meaning as in CVC section 371.

### **Rationale**

This definition is necessary because the lessee of a drayage truck is considered a drayage truck owner and will be responsible for compliance with this proposed regulation. The CVC definition was selected to be consistent with already established definitions in the State Vehicle Code.

## **“Marine or seaport terminals”**

### **Purpose**

The purpose of this definition is to define “Marine or seaport terminals” as wharves, bulkheads, quays, piers, docks and other berthing locations and adjacent storage or adjacent areas and structures associated with the primary movement of cargo or

goods from vessel to shore or shore to vessel, including structures which are devoted to receiving, handling, holding, consolidating, and loading or delivery of waterborne shipments or passengers, including areas devoted to the maintenance of the terminal or equipment. For the purposes of this proposed regulation, the term includes but is not limited to production or manufacturing areas, warehouses, storage facilities, and private or public businesses or entities located on or surrounded by seaport property.

## **Rationale**

This definition is necessary because marine and seaport terminals are subject to the requirements in this proposed regulation. Also, this type of facility has requirements under other existing CARB regulations.

## **“Military tactical support vehicles”**

### **Purpose**

The purpose of this definition is to define “Military tactical support vehicles” as defined in title 13, CCR, section 1905.

### **Rationale**

This definition is necessary to characterize an exempt vehicle category. Military tactical support vehicles would be excluded to minimize any potential national security concerns and because staff does not foresee including them in any future ZEV fleet regulations.

## **“Model year”**

### **Purpose**

The purpose of this definition is to define “model year” as a designation meeting the definition of “model year” under title 17, CCR section 95662(a)(16).

### **Rationale**

This definition is necessary to inform fleet owners when reporting purchased vehicles what the model year is defined as. The definition was selected to be consistent with the definition of model year as defined in California Phase 2 Greenhouse Gas regulation.



## **“Notice to proceed”**

### **Purpose**

The purpose of this definition is to define "notice to proceed" as a written direction to a vehicle manufacturer or powertrain conversion installer or to commence production or conversion of a vehicle as provided in a contract.

### **Rationale**

This definition is necessary to establish a definition for the “notice to proceed” that certain fleets must supply as proof of a vehicle addition to the fleet. The definition chosen is a commonly understood term used in industry as the official written instruction to a contractor that a project timeline can officially begin; this carries over to instructing manufacturers to produce contractually agreed upon vehicles. It is an official document CARB can use to implement and enforce requirements.

## **“On-road”**

### **Purpose**

The purpose of this definition is to define “On-road” as a vehicle that is designed to be driven on public highways and roadways and that is registered or is capable of being registered by the California DMV under CVC sections 4000 et seq. or DMV's equivalent in another state, province, or country, or the International Registration Plan. A vehicle covered under the In-Use Off-Road Regulation, title 13, CCR, section 2449 is not an on-road vehicle.

### **Rationale**

This definition is necessary because it identifies the applicable vehicles for this proposed regulation. It also aids in distinguishing this vehicle category from exempt off-road vehicles that may be captured under other CARB regulations.

## **“Railyard authority”**

### **Purpose**

The purpose of this definition is to define “Railyard authority” as those entities, either public or private, that are responsible for the operation of intermodal railyards.

### **Rationale**

This definition is necessary to characterize entities responsible for reporting data to CARB for drayage trucks visiting applicable railyards.

## **“Railyard property”**

### **Purpose**

The purpose of this definition is to define “Railyard property” as the property constituting the physical boundaries of intermodal railyards. For the purposes of this proposed regulation, railyard property also includes privately owned property located within intermodal railyard boundaries.

### **Rationale**

This definition is necessary to provide clarity to the definition of drayage truck. The term railyard property is referenced several times when describing the types of vehicles that are or are not regulated under 2014; it is thus important to establish what constitutes a railyard property.

## **“Receiver”**

### **Purpose**

The purpose of this definition is to define “Receiver” as the person, party, or entity that receives shipped goods, cargo, or commodities.

### **Rationale**

This definition is necessary because it helps to elucidate the definition of bill of lading, which is a document that regulated entities can submit to CARB to verify information about freight movement, including the origin and destination of cargo.

## **“Repower”**

### **Purpose**

The purpose of this definition is to define “Repower” as replacing an older engine with a newer model engine.

### **Rationale**

This definition is necessary because it describes a practice that vehicle owners utilize to extend compliance with CARB regulations. Repowering to a cleaner engine is no longer permitted for trucks in drayage service, under 2014.1(7)(H). However, truck owners can upgrade internal combustion engines vehicles with ZE powertrains.

## **“Responsible official”**

### **Purpose**

The purpose of this definition is to define "responsible official". For a corporation, a responsible official is defined as president, chief executive officer, chief financial officer, secretary, treasurer, or vice president of the corporation in charge of a principal business function, or a delegate, designee, or any other person who performs similar policy or decision-making functions for the corporation. For a partnership or sole proprietorship, a responsible official is defined as general partner or the proprietor, or the delegate or designee of the aforementioned, or any other person who performs similar policy or decision-making functions for the business, or the chief executive officer, or the chief financial officer. For a federal government agency, a responsible official is defined as either a principal executive officer or ranking elected official. For the purposes of this part, a principal executive officer of a federal agency includes the chief executive officer having responsibility for the overall operations of a principal geographic unit of the agency (e.g., a Regional Administrator of the U.S. EPA). For the purposes of the Department of Defense Military Services, a principal executive officer includes a commanding officer of an installation, base, or tenant organization.

### **Rationale**

This definition is necessary to define who will be responsible for ensuring the entity or agency meets the proposed requirements. The definition was selected to be consistent with CARB’s Truck and Bus regulation. It is necessary to identify who would be responsible in various business types because complex business relationships can make it less clear who is responsible for compliance with regulations.

## **“Seaport”**

### **Purpose**

The purpose of this definition is to define Seaport as the property where marine and seaport terminals are typically located for the loading and unloading of water-borne commerce onto and from ocean-going vessels. For purposes of this proposed regulation, seaport does not include seaport property that is not primarily used to engage in water-borne commerce.

### **Rationale**

This definition is necessary to identify the types of ports that are subject to the requirements in this proposed regulation. The definition is included to delineate seaports from airports or other types of ports. It is also consistent with other CARB regulations.

## **“Seaport or port authority”**

### **Purpose**

The purpose of this definition is to define “Seaport or port authority” as those entities, either public or private, that are responsible for the operations of seaports.

### **Rationale**

This definition is necessary to characterize entities responsible for reporting data to CARB on visiting drayage trucks subject to this proposed regulation. Furthermore, it is important to define entities that have the authority to carry out enforcement of this proposed regulation.

## **“Seaport property”**

### **Purpose**

The purpose of this definition is to define “Seaport property” as publicly or privately owned property where a seaport is located. It is the property that includes the physical boundaries, either contiguous or non-contiguous, of the seaport and may include other properties owned by the seaport. For the purposes of this proposed regulation, seaport property includes privately owned property located within a publicly or privately owned seaport property's boundaries.

### **Rationale**

This definition is necessary because provides clarity to the definition of drayage truck. The term seaport property is referenced several times when describing the types of vehicles that will or will not be regulated under this proposed regulation. Seaport property is also referenced in the definition for marine or seaport terminals; it is thus important to establish what constitutes a seaport property.

## **“Shipper”**

### **Purpose**

The purpose of this definition is to define “Shipper” as the person, party, or entity who owns or supplies the commodities shipped by a drayage motor carrier.

### **Rationale**

This definition is necessary because it is referenced in the definitions for beneficial cargo owner and bill of lading. The integration of this term throughout this proposed

regulation necessitates its clarification to identify the responsible parties. The definition of shipper is consistent with other CARB regulations.

## **“Shipping paper”**

### **Purpose**

The purpose of this definition is to define “Shipping paper” as a shipping order, bill of lading, manifest or other shipping document.

### **Rationale**

This definition is necessary because it describes a document that regulated entities can submit to CARB to verify information about freight movement, including the origin and destination of cargo. This type of documentation is also kept for recordkeeping purposes.

## **“Vehicle”**

### **Purpose**

The purpose of this definition is to define “Vehicle” as defined in CVC section 670.

### **Rationale**

This definition is necessary because it helps to clarify to the definition of drayage trucks. Overall, this proposed regulation aims to reduce emissions from drayage trucks by transitioning them to ZE technology. As drayage trucks are vehicles, it is necessary to establish what constitutes a vehicle. In addition, the word “vehicle” is also referenced in the definitions of many other terms throughout this document and provides clarity to those definitions as well.

## **“Vehicle identification number (VIN)”**

### **Purpose**

The purpose of this definition is to define “Vehicle identification number (VIN)” as an alpha numeric code which has been permanently assigned by the manufacturer to a vehicle.

### **Rationale**

The definition is necessary to identify this unique identification number which is used for the vehicle’s entire life. Drayage trucks doing business at a seaports or intermodal railyards must be registered in the CARB Online System, and VIN is the primary

identification number required for registration. In addition, the regulated facilities are required to provide VINs for all drayage trucks that visit their properties and indicate noncompliance. The importance of vehicle identification to identify a vehicle for compliance necessitates a definition of VIN.

## **“Vehicle purchase” or “purchase”**

### **Purpose**

The purpose of this definition is to define "vehicle purchase" or "purchase" as meaning the drayage truck owner or controlling party has placed an order for a vehicle or powertrain conversion for immediate delivery or installation and has already paid for or has entered into a binding agreement with the authorized dealer, powertrain conversion installer, third party, or manufacturer to pay for the vehicle or conversion.

A vehicle purchase includes where the drayage truck owner or controlling party has executed one of the following: identified, committed and encumbered funds and executed a written notice to proceed executed by a drayage truck owner or controlling party to a manufacturer or powertrain conversion installer to begin production of the vehicle either under a previously-entered purchase contract or to execute a contract option; a written purchase agreement between a drayage truck owner or controlling party and the manufacturer or powertrain conversion installer that specifies the date when the work to manufacture or convert the vehicle is to proceed; a written purchase agreement between a drayage truck owner or controlling party and another party for the purchase and immediate delivery of a used vehicle; or a signed written lease agreement between a fleet owner and the manufacturer or authorized dealer for a new vehicle to be placed in service for a contract term of one year or more.

### **Rationale**

This definition is necessary for drayage truck owners or controlling parties to identify the parameters of a vehicle purchase as it applies to various extensions and in determining compliance. It is also necessary as it applies to the vehicle information drayage truck owners or controlling parties are required to report as well as the type of information needed for recordkeeping for vehicles that have been purchased.

Binding agreements with relevant parties are necessary because non-binding agreements are insufficient for indicating a truck owner intends to purchase and take delivery of a vehicle, and CARB needs assurance the addition will take place. Encumbering funds with a written notice to proceed show a drayage truck owner or controlling party is attempting to add a vehicle in good faith and provides assurance that the drayage truck owner or controlling party intends to add the vehicle. Purchase agreements and lease agreements are legally binding contracts that provide assurance the drayage truck owner or controlling party will add the vehicle.

## **“Zero-emission powertrain”**

### **Purpose**

The purpose of this definition is to define “Zero-emission powertrain” per CCR 1956.8(i)(12), as an all-electric or hydrogen fuel-cell powertrain assembly, which includes (if applicable) the electric traction motor, system controller, generator, on-board charger, battery management system, thermal management systems, energy storage system (batteries, capacitors, and flywheels), inverter, fuel-cell stack, and the interface at which electrical power is converted to tractive mechanical power or vice-versa (in the case of a regenerative braking system), certified pursuant to the requirements incorporated by reference in title 13, CCR section 1956.8.

### **Rationale**

This definition is necessary because it describes the components of ZE technology required by 2014. Drayage truck owners and operators are more familiar with other types of powertrains and this proposed regulation will provide them an opportunity to transition to newer technologies. As CARB transitions vehicles to ZE technology, it is important to clarify exactly what is required and the certification requirements. This definition of ZE powertrain is consistent with the Zero-Emission Powertrain Certification Regulation.

## **“Zero-emission vehicle”**

### **Purpose**

The purpose of this definition is to define “Zero-emission vehicle” as an on-road vehicle with a drivetrain that produces zero exhaust emissions of any criteria pollutant (or precursor pollutant) or greenhouse gas under any possible operational modes or conditions.

### **Rationale**

This definition is necessary to simplify the language by grouping all ZEV types in this definition. This allows the language to address all ZEVs together rather than needing to describe each type of ZEV (including BEVs and FCEVs) separately each time it is needed.

## **Subsection 2014(c)(1-5). Exemptions**

### **Purpose**

The purpose of these subsections is to identify the types of vehicles that are exempt from this proposed regulation.

## **Rationale**

This subsection is necessary to distinguish which vehicles are outside of the scope of this proposed regulation. This subsection is also necessary to contextualize emergency situations that result in vehicle exemptions. Dedicated use vehicles are exempt from this proposed regulation because of their specialized configurations. While dedicated use vehicles may also service seaports and intermodal railyards, this vehicle category is distinct from regulated drayage trucks. Emergency vehicles, such as ambulances, are defined in the CVC section 165. These vehicles are exempt from this proposed regulation because they are not the intended regulated entity. Emergency vehicles also visits seaports and railyards; however, they are distinct from other trucks that conduct drayage service. Furthermore, this exemption of emergency vehicles removes any obstruction to address immediate safety concerns. Military tactical support vehicles are also exempt from this proposed regulation. These vehicles are exempt to minimize any potential national security concerns. Vehicles subject to the regulation for Mobile Cargo Handling Equipment at Ports and Intermodal Rail Yards commencing with title 13, CCR section 2479 are also exempt from this proposed regulation. These vehicles are exempt because they already have requirements under separate regulations. Finally, this subsection exempts vehicles that are pursuant to a declared emergency event. It requires drivers to keep records that verify their support of emergency operations. This exemption provides flexibility during natural disasters or unforeseen events that threaten public health and safety.

## **Subsection 2014.1. In-Use On-Road Heavy Duty Drayage Trucks Requirements and Compliance Deadlines**

### **Purpose**

The purpose of this section is to identify the requirements and compliance deadlines associated with this proposed regulation.

### **Rationale**

This section is necessary because it specifies what is required by the relevant entities. Clear expectations are needed to make certain that entities responsible for compliance are acutely aware of what is being mandated. Furthermore, explicit requirements ensure that the proposed regulation can be appropriately enforced. This section specifies the requirements for drayage trucks, drayage truck owners, drayage truck operators, drayage motor carriers and common owners or controllers, marine and seaport terminals and intermodal railyards, and for the CARB Online System.



## **Subsection 2014.1(a)(1)(A). Phase 1 Requirements**

### **Purpose**

The purpose of this subsection is to establish that all drayage trucks registering for the first time in the CARB Online System must be ZE, beginning January 1st, 2024.

### **Rationale**

This subsection is necessary to establish the phased-in approach to transitioning the drayage fleet to ZE technology. This approach will maximize emissions reductions in seaport and railyard communities, while providing the industry adequate time to adapt to this new, albeit established, technology. Starting the transition to zero-emission vehicles with newly registered vehicles will allow for the legacy fleet to achieve their useful life, while still ensuring efficient turnover of this fleet to the cleanest available technology. The January 1st, 2024, start date is chosen with consideration of the existing Drayage Truck regulation sunset. This initial compliance date is as close to the sunset of the existing regulation while allowing time for this proposed regulation to become effective. Note that starting January 1, 2023, drayage trucks are subject to the provisions of title 13, CCR, section 2025, the Regulation to Reduce "Emissions of Diesel Particulate Matter, Oxides of Nitrogen and Other Criteria Pollutants from In-Use Heavy Duty Diesel-Fueled Vehicles (Truck and Bus Regulation)", which requires that all not otherwise exempt in-use on-road diesel vehicles, including drayage trucks, have a 2010 model year emissions equivalent engine by January 1, 2023.

## **Subsection 2014.1(a)(1)(B).**

### **Purpose**

The purpose of this subsection is to set an annual visit requirement for all legacy drayage trucks beginning January 1, 2024. It also provides an annual deadline of March 31st for trucks to be excluded from the CARB Online System that have not met their annual visit requirement.

### **Rationale**

This subsection establishes a clear annual visit requirement for drayage trucks to remain eligible for service. This subsection is necessary to ensure trucks that are eligible to be added to the CARB Online System are intended for drayage service, and are not being added to circumvent the intent of the regulation. Active trucks will remain registered in the CARB Online System and will be considered compliant with this proposed regulation throughout their useful lives.

## **Subsection 2014(a)(1)(C)(1-2).**

### **Purpose**

The purpose of this subsection is to establish the circumstances under which all non-zero-emission vehicles will be excluded from the CARB Online System.

### **Rationale**

This subsection is necessary to affirm that drayage trucks will not be excluded from the CARB Online System before they meet their useful lives. Drayage trucks are required to transition to zero-emission technologies, after they meet useful life requirements, if they wish to continue servicing California's seaports and intermodal railyards. Excluding drayage trucks from the CARB Online System after their useful life, will support the transition to a zero-emission drayage truck fleet.

## **Subsection 2014.1(a)(2)(A). Phase 2 Requirements**

### **Purpose**

The purpose of this subsection is to establish that all drayage trucks must be equipped with and operate a ZE beginning January 1, 2035.

### **Rationale**

This subsection is necessary to define a clear deadline for when all drayage trucks must be ZE.

## **Subsection 2014.1(a)(3)(A)(1-3). Drayage Truck Owner Requirements**

### **Purpose**

The purpose of this subsection is to establish how drayage truck owners can register their vehicles. Three methods are offered including by mail, electronically through the CARB Online System, or via email.

### **Rationale**

This subsection is necessary to provide a process for how drayage truck owners can register their vehicles. This proposed regulation requires vehicle registration; thus, it is important to specify the mechanisms for doing so.

## **Subsection 2014.1(a)(3)(B)(1-4)**

### **Purpose**

The purpose of this subsection is to specify that beginning January 1, 2025, drayage truck owners will have to annually report verifiable odometer mileage for drayage trucks 12 years and older. It also establishes that this information must be provided by February 15th of each calendar year. Finally, the purpose of this subsection is to provide detail on the type of information that must be included in the submitted documentation and to give examples of acceptable documentation.

This section also includes a provision in the event that the odometer is replaced, the drayage truck owner must report the following within 30 calendar days of the original odometer failure: the original odometer's final reading, the new odometer's initial reading, and the date of replacement. If the vehicle's odometer is not functional, then the drayage truck owner can report the serial number from a hubodometer with a non-resettable odometer.

### **Rationale**

This subsection is necessary because it allows CARB to verify whether drayage trucks have met their useful life requirements. As a result of this requirements, it is necessary for CARB enforcement staff to know a drayage truck's mileage and model year of the original engine to determine compliance. This subsection makes certain that staff will have the necessary information to determine compliance.

This section also establishes the type of measurement device (odometer) as well as an alternative measurement device (hubodometer) that can be used to measure the milage. This section includes a 30-calendar day notification if the vehicle odometer fails and is replaced. The requirement that failed odometer be reported within 30 calendar days provides a reasonable timeframe for a drayage truck owner to report any changes that might have an affect compliance.

## **Subsection 2014.1(a)(3)(C).**

### **Purpose**

The purpose of this subsection is to establish that the hiring entity must inform drayage truck operators about the requirements set forth in this proposed regulation. It also requires the hiring entity to provide documentation, such as an annually signed affidavit or contract to any CARB staff or the Executive Officer, upon request.

### **Rationale**

This subsection is necessary to make certain that all the appropriate parties are made aware of this proposed regulation. In addition, the provided documentation will allow

CARB enforcement staff to verify the hired entities that should have been informed about this proposed regulation.

### **Subsection 2014.1(a)(3)(D).**

#### **Purpose**

The purpose of this subsection is to set forth that by January 1, 2024, the controlling part with common ownership or control of drayage trucks shall ensure that the drayage trucks under their control are compliant with the provisions of this proposed regulation.

#### **Rationale**

This subsection is necessary to establish that entities with common ownership or control will be held responsible for compliance of this proposed regulation. The start date for their requirements is in alignment with the Phase 1 requirements, initial phase-in and visitation requirements, of this proposed regulation.

### **Subsection 2014.1(a)(3)(E).**

#### **Purpose**

The purpose of this section is to establish an extension for vehicle delivery delays, and how it will be treated when determining compliance with section 2014.1.

#### **Rationale**

The subsection is necessary to establish that the exemption allows for an existing legacy drayage truck to be excluded from the requirements of section 2014.1(a)(1)(C) if a replacement zero-emission vehicle was ordered at least a year in advance and the zero-emission vehicle would not be delivered by the compliance date. It is necessary to require drayage truck owners to have ordered the vehicles at least a year in advance to show they are doing their due diligence to comply with the rule by placing orders well in advance of the deadlines. One year is a reasonable time to expect for a vehicle to be delivered to the purchaser and the amount of time that infrastructure takes to install. Vehicles can typically take months to build and deliver, and possibly years if supply chain issues or other exacerbating conditions exist. It is necessary to specify that the delay must be for reasons beyond the drayage truck owner's control to prevent abuse of the extension and loopholes.

## **Subsection 2014.1(a)(3)(F).**

### **Purpose**

The purpose of this section is to establish an extension for infrastructure construction delays, and how it will be treated when determining compliance with section 2014.1.

### **Rationale**

The subsection is necessary to establish that a drayage truck owner would receive a 1-year extension from the requirements of section 2014.1(a)(1)(C) for the vehicle to be replaced by a zero-emission vehicle that could not be used until the infrastructure is in place. This would allow the drayage truck owner to continue using the existing legacy vehicle until the infrastructure construction is finished. Providing a one-year delay is reasonable because drayage truck owners must have already started construction and ordered ZE vehicles at least one year in advance of their deadline and providing an additional year of time would give at least two years for the construction to finish.

## **Subsection 2014.1(a)(4)(A). Drayage Truck Operator Requirements**

### **Purpose**

The purpose of this subsection is to establish that drayage truck operators must provide documentation of the dispatching motor carrier's contact information to CARB staff or the Executive Officer upon request.

### **Rationale**

This subsection is necessary for enforcement purposes. In some cases, the drayage truck operator is different from the vehicle owner. Also, the operator may not be the entity responsible for dispatching or routing that drayage truck. If a drayage operator brings a noncompliant vehicle to a California seaport or intermodal railyard, this provision will allow CARB staff to request the necessary documentation to determine the appropriate party responsible for compliance.

## **Subsection 2014.1(a)(4)(B).**

### **Purpose**

The purpose of this subsection is to specify the type of documentation that drayage truck operators must report about their dispatching motor carrier's contact information. This includes the drayage motor carrier's name, contact person's name, drayage motor carrier's street address (city, state, and zip code), contact person's business phone number, U.S. Department of Transportation Number, Motor Carrier

Number, signed contract, and a signed affidavit that notification is given to the hired entity as required above, if not in the contract.

## **Rationale**

This subsection is necessary because drayage truck operators are the mostly likely entity to come in contact with enforcement staff. In the event that the operator is not the owner of the drayage truck or the party responsible for dictating where the vehicle travels, it is crucial that CARB staff can identify the regulated entity responsible for compliance of the regulation. This provision also outlines the specific types of information that will allow staff to effectively determine the appropriate regulated entity.

## **Subsection 2014.1(a)(4)(C).**

### **Purpose**

The purpose of this subsection is to set forth that drayage truck operators must identify and provide documentation on the origin and destination of the cargo, chassis, and intermodal equipment (container, etc.). This subsection also provides examples of the acceptable types of documentation including a delivery receipt, pick up receipt, equipment interchange receipt, release number, or shipping paper or other documentation that identifies the origin and destination of the cargo, and the pickup and termination destination of the chassis and intermodal equipment.

### **Rationale**

This subsection is necessary to clearly identify forms of documentation that regulated parties are required to maintain.

## **Subsection 2014.1(a)(5)(A). Drayage Motor Carrier and Controlling Party Requirements**

### **Purpose**

The purpose of this subsection is to establish that drayage motor carriers and entities with common ownership or control should provide a copy of this proposed regulation, or a CARB approved summarized version to each drayage truck owner that it contracts with for deliveries to seaports and intermodal railyards.

### **Rationale**

This subsection is necessary because it creates a pathway to provide the regulated parties with information about the requirements associated with this proposed regulation. The success of this rulemaking, quantified by tangible emission reductions,

is based on the foundation that entities responsible for compliance are aware of, understand, and adhere to its requirements. In addition to outreach conducted directly by CARB staff, this provision provides another avenue to publicize crucial information. Furthermore, it allows CARB to hold drayage motor carriers and entities with common ownership or control responsible for informing the drayage truck owners with whom they contract about this rulemaking.

### **Subsection 2014.1(a)(5)(B).**

#### **Purpose**

The purpose of this subsection is to establish that drayage motor carriers and entities with common ownership or control can only contract or dispatch drayage trucks that meet the requirements and compliance deadlines set forth in the Phase 1 and Phase 2 requirements of this proposed regulation.

#### **Rationale**

This subsection is necessary because it obligates drayage motor carriers and entities with common ownership or control to only conduct business with drayage trucks that are compliant with this proposed regulation. This provision prevents noncompliant trucks from being dispatched in a way that circumvents the intent of this proposed regulation.

### **Subsection 2014.1(a)(5)(C).**

#### **Purpose**

The purpose of this subsection is to mandate that drayage motor carriers and entities with common ownership or control can only contract or dispatch drayage trucks to seaports and intermodal railyards that are registered in the CARB Online System and are compliant with this proposed regulation.

#### **Rationale**

This subsection is necessary because it allows CARBs enforcement staff to hold drayage motor carriers and entities with common ownership or control accountable for drayage truck operators that they contract with.

### **Subsection 2014.1(a)(5)(D).**

#### **Purpose**

The purpose of this subsection is to establish that drayage motor carriers and entities with common ownership or control must demonstrate that they have only contracted

or dispatched drayage trucks whose operators have been informed that they must provide drayage motor carrier information, upon request, to CARB staff or the Executive Officer.

## **Rationale**

This subsection is necessary to inform drayage motor carriers and entities with common ownership or control that they are responsible for notifying their drayage truck drivers that CARB staff may request from them information about their dispatchers. Drayage truck operators are the mostly likely entity to come in contact with enforcement staff. However, in the event that the operator is not the owner of the drayage truck or the party responsible for dictating where the vehicle travels, it is crucial that CARB staff can identify the regulated entity responsible for compliance of the regulation.

## **Subsection 2014.1(a)(5)(E).**

### **Purpose**

The purpose of this subsection is to mandate that drayage motor carriers or entities with common ownership or control keep a record of all contracted or dispatched drayage trucks sent to a seaport or intermodal railyard containing the following information for a minimum of five years from the contracted or dispatched date: truck dispatch date and time, shipping paper or tracking number, truck license plate number and state of issuance, and the drayage truck identification number. Furthermore, the purpose of this subsection is to highlight that all of the detailed and summary dispatch records in 2014.1(a)(5) are to be made available to CARB staff or the Executive officer within 72 hours of an official written or oral request.

### **Rationale**

This subsection is necessary to specify the type of information that drayage motor carriers and entities with common ownership or control should keep on their dispatched vehicles and the timeframe in which they are expected to keep said documents. It is important to be explicit about recordkeeping requirements to ensure that regulated parties are acutely aware of what information they are being mandated to track. The specified information is needed because it will allow CARB to effectively understand where an individual drayage truck has traveled when identifying potential noncompliance. Finally, the 72-hour timeframe for responses to CARB requests is needed to address any potential issues of noncompliance in a timely manner.



## **Subsection 2014.1(a)(5)(F).**

### **Purpose**

The purpose of this section is to establish an extension for vehicle delivery delays, and how it will be treated when determining compliance with section 2014.1.

### **Rationale**

The subsection is necessary to establish that the exemption allows for an existing legacy drayage truck to be excluded from the requirements of section 2014.1(a)(1)(C) if a replacement zero-emission vehicle was ordered at least a year in advance and the zero-emission vehicle would not be delivered by the compliance date. It is necessary to require controlling parties to have ordered the vehicles at least a year in advance to show they are doing their due diligence to comply with the rule by placing orders well in advance of the deadlines. One year is a reasonable time to expect for a vehicle to be delivered to the purchaser and the amount of time that infrastructure takes to install. Vehicles can typically take months to build and deliver, and possibly years if supply chain issues or other exacerbating conditions exist. It is necessary to specify that the delay must be for reasons beyond the controlling party's control to prevent abuse of the extension and loopholes.

## **Subsection 2014.1(a)(5)(G).**

### **Purpose**

The purpose of this section is to establish an extension for infrastructure construction delays, and how it will be treated when determining compliance with section 2014.1.

### **Rationale**

The subsection is necessary to establish that a drayage truck owner would receive a one-year extension from the requirements of section 2014.1(a)(1)(C) for the vehicle to be replaced by a ZEV that could not be used until the infrastructure is in place. This would allow the controlling party to continue using the existing legacy vehicle until the infrastructure construction is finished. Providing a one-year delay is reasonable because controlling parties must have already started construction and ordered ZEVs at least one year in advance of their deadline and providing an additional year of time would give at least two years for the construction to finish.

## **Subsection 2014.1(a)(6)(A). Marine and Seaport Terminal and Intermodal Railyard Requirements**

### **Purpose**

The purpose of this subsection is to establish that beginning January 1, 2024, each marine or seaport terminal and intermodal railyard shall collect the following information for each drayage truck subject to this proposed regulation that enters the facility or property: entry date and time, exit date and time, drayage truck's license plate number and state of issuance, and drayage truck's VIN.

### **Rationale**

This subsection is necessary because it fortifies CARB's emissions inventory, by ensuring that the EMFAC model is able to accurately calculate emissions from the drayage truck population that actively services California's seaports and intermodal railyards. The recordkeeping by marine or seaport terminals and intermodal railyards is a crucial component for determining compliance. This proposed regulation has an annual visit requirement (2014.1(a)(1)(B)) for legacy drayage trucks, and this provision will provide verification that a truck has visited a regulated seaport or intermodal railyard. The January 1, 2024, start date aligns with other initial compliance deadlines throughout this proposed regulation.

## **Subsection 2014.1(a)(6)(B)(1-2).**

### **Purpose**

The purpose of this subsection is to set forth that beginning January 1, 2024, each marine or seaport terminal and intermodal railyard shall collect the following information for each drayage truck that is subject to this proposed regulation, that enters the facility or property, and is not compliant as determined by information or status contained within the CARB Online System. Another purpose of this subsection is to establish that all of the information collected in 2014(a)(6)(B) shall be kept for a period of no less than five years from the truck entry date and is to be made available to CARB staff or CARB Executive Officer 72 hours of an official written or oral request.

### **Rationale**

This subsection is necessary because it obligates marine or seaport terminals and intermodal railyards to collect identifying information about noncompliant drayage trucks. These terminal operators and railyards are in the most advantageous position to collect this information because of their frequent and measured interactions with drayage truck operators. The specific identifying information required in this provision is important because it provides CARB staff with the necessary information to effectively determine the appropriate regulated entity responsible for compliance.

## **Subsection 2014.1(a)(6)(C).**

### **Purpose**

The purpose of this subsection is to establish that marine or seaport terminals and intermodal railyards must report the information collected in 2014.1(a)(6)(A) above annually on or before February 15th of each calendar year.

### **Rationale**

This subsection is necessary because it ensures consistency in the information that CARB staff receives about drayage trucks that visit California seaport and railyard properties. This subsection is also necessary because it provides a deadline for marine or seaport terminals and intermodal railyards to report said information. Ultimately, compliance determination and emissions inventory modeling depend on the ability of CARB staff to collect consistent information about the drayage truck population in a timely manner.

## **Subsection 2014.1(a)(6)(D).**

### **Purpose**

The purpose of this subsection is to set forth that marine or seaport terminals and intermodal railyards must report to their respective Seaport or Railyard authorities according to Schedule A below . Another purpose of this subsection is to provide Schedule A, a table with deadlines.

### **Rationale**

This subsection is necessary because it outlines the first step of a pathway that will provide CARB staff with essential information about noncompliant drayage trucks. This first step requires marine or seaport terminals and intermodal railyards to report the information they collect about noncompliant trucks to their respective seaport and railyard authorities. The second step of this process (expressed in the next subsection of this proposed regulation) will be for the seaport and railyard authorities to submit the information they collected from the terminals and railyards to CARB. This two-step process allows seaport and railyard authorities an opportunity to view, verify, and collate the data they receive from terminal and railyard operators before it is submitted to CARB. This provision is also important because it establishes clear deadlines for regulated parties.

## **Subsection 2014.1(a)(6)(E).**

### **Purpose**

The purpose of this subsection is to set forth that beginning January 1, 2024, seaport and railyard authorities shall report the respective information collected by the seaport terminals and intermodal railyards, as detailed in 2014(a)(6)(B) and(D), to CARB according to Schedule B.

### **Rationale**

This subsection is necessary because it outlines the second step of a pathway that will provide CARB staff with essential information about noncompliant drayage trucks. This second step requires seaport and railyard authorities to submit the information they collected from the seaport terminals and railyards to CARB. The first step required marine or seaport terminals and intermodal railyards to report the information they collected about noncompliant trucks to their respective seaport and railyard authorities. Ultimately, this two-step process allows seaport and railyard authorities an opportunity to view, verify, and collate the data they receive from terminal and railyard operators before the it is submitted to CARB. This provision is also important because it provides clear deadlines for the regulated parties. This process for data collection and reporting deadlines are the same as the requirements outlined in the existing Drayage Truck Regulation and all the regulated entities associated with this provision are familiar with these requirements. Finally, this provision is necessary because it provides an information source that regulated parties can visit to learn more about reporting parameters associated with this proposed regulation.

## **Subsection 2014.1(a)(6)(F).**

### **Purpose**

The purpose of this subsection is to establish that seaport or port and railyard authorities shall ensure their respective terminals and /or intermodal railyards abide by all schedule A reporting requirements and deadlines.

### **Rationale**

This subsection is necessary because it obligates seaport and railyard authorities to guarantee that entities under their influence adhere to reporting requirements and deadlines associated with Schedule A. This is necessary to ensure that CARB staff receives key information about the regulated drayage truck population that visits California seaports and intermodal railyards.

## **Subsection 2014.1(a)(7)(A). CARB Online System Truck Registry Requirements**

### **Purpose**

The purpose of this subsection is to set forth that no later than December 31, 2023, all drayage trucks intending to begin or continue operations at a seaport or intermodal railyard must be registered with the CARB Online System.

### **Rationale**

This provision is necessary to establish a baseline of the drayage truck population. Establishing the baseline of the drayage fleet is a critical component of transitioning the fleet to ZE technology because it informs CARB of the starting point for vehicle turnover. The December 31, 2023, start date is chosen with consideration of the existing Drayage Truck Regulation sunseting in December of 2022, the initial compliance date for vehicle turnover to ZE drayage trucks on January 1, 2024, and allowing time for this proposed regulation to become effective. It is imperative that CARB staff establish the baseline before the initial compliance deadlines. The December 31, 2023, start date provides drayage truck owners ample time to register in the CARB Online System and affords CARB staff enough time to analyze those registrations before the first compliance date.

## **Subsection 2014.1(a)(7)(B)(1-3).**

### **Purpose**

The purpose of this subsection is to establish how drayage truck owners can register their vehicles. Three methods are offered including by mail, electronically through the CARB Online System, or via email.

### **Rationale**

This subsection is necessary to provide a process for how drayage truck owners can register their vehicles. This proposed regulation requires vehicle registration; thus, it is important to specify a mechanism(s) for doing so. Multiple registration methods are provided for the convince of the regulated drayage truck owners.

## **Subsection 2014.1(a)(7)(C)(1-23).**

### **Purpose**

The purpose of this subsection is to mandate that owners of all drayage trucks covered by the regulation and doing business at a seaport or intermodal railyard must register the truck through the CARB Online System. They need to report the following

information for each of their vehicles, including those operated under common ownership or control for controlling parties: identifying information about the vehicle owner, vehicle identification number (VIN); vehicle make and model; vehicle model year; vehicle license plate number and state of issuance; vehicle GVWR; vehicle body type; vehicle fuel and powertrain type; whether the vehicle will be designated under or was purchased pursuant to any exemption or extension provision; odometer readings or hubodometer readings; engine family and model year for tractors 12 years old or older; and whether the vehicle being reported by a controlling party is owned by another entity;

### **Rationale**

This subsection is necessary because it provides detail about the specific information that the owners of drayage trucks will need to register their vehicles in the CARB Online System. Vehicle registration is a requirement of this proposed regulation; thus, it is critical that CARB staff are forthright about what exactly is needed for registration. The required information will help staff to identify each individual drayage truck covered by this proposed regulation, its owner, and information about the specific vehicle type which can be linked to tailpipe emissions. Ultimately, this subsection is necessary because identifying information for vehicles is essential for tracking compliance with the proposed regulation or for providing information on any enforcement actions.

VIN, make and model, model year, and license plate number all are necessary identifying information for enforcement purposes. GVWR, vehicle body type, fuel and powertrain type; and whether the vehicle is using any exemption or extension all are necessary for staff to determine compliance with the ZE requirements and to verify proposed provisions and criteria are met.

Odometer or hubodometer readings are necessary to determine compliance with Section.1(a)(1)(C).

The engine year is necessary to determine how old the engine is compared to the year the engine and emissions control systems were first certified for use by CARB or U.S. EPA, and the engine family will enable staff to verify the reported engine year because the engine year is coded into the family name. It is necessary to require controlling parties to report whether a reported vehicle is owned by another entity because staff must be able to differentiate owned vehicles from those under common ownership or control relationships to calculate compliance.

### **Subsection 2014.1(a)(7)(D).**

#### **Purpose**

The purpose of this subsection is to require regulated parties to maintain, and report updated information to the CARB Online System.

## **Rationale**

This subsection is necessary to ensure all records in the CARB Online System accurately depict the current status of each regulated drayage truck and provide up-to-date information for CARB enforcement staff to act on.

### **Subsection 2014.1(a)(7)(E-F).**

#### **Purpose**

The purpose of these subsections is to clarify that transfer of ownership of a legacy drayage truck requires the drayage truck to be removed from the CARB Online System. In addition, they establish that legacy drayage trucks, that are not zero-emission, shall not remain in The CARB Online System and cannot reregister after they are sold.

#### **Rationale**

These subsections are necessary to prevent legacy drayage truck owners from circumventing the intent of this regulation by transferring ownership of a legacy drayage truck to a new party. Allowing legacy drayage trucks to be reregistered would extend their operations of noncompliant trucks, and decelerate the transition of drayage trucks to ZE.

### **Subsection 2014.1(a)(7)(G).**

#### **Purpose**

The purpose of this subsection is to clarify that legacy drayage trucks may not replace engines at the end of their useful life with another non-ZE engine.

#### **Rationale**

This subsection is necessary to prevent truck owners from circumventing the intent of this proposed regulation by repowering legacy drayage trucks with a non-ZE engine. Allowing legacy drayage trucks to extend their useful life would undermine the requirement to transition a truck to zero-emission after the first useful life of the has completed. Without this provision, legacy drayage trucks could repower a truck and never need to transition to ZE.

## **Subsection 2014.2. In-Use On-Road Heavy-Duty Drayage Trucks Extensions**

### **Purpose**

The purpose of this section is to inform drayage truck owners or controlling parties that they may claim or apply for the extensions in the section if the drayage truck complies with the requirements that are in effect, and it would otherwise be impossible to comply with the next compliance deadline. Drayage truck owners or controlling parties requesting or utilizing any extensions must meet applicable reporting and recordkeeping requirements for each extension as specified in sections 2014.3(a)(6-9). Any extensions approved for a drayage truck owner or controlling party are not transferrable to owner or controlling party. The Executive Officer will respond to exemption requests as described in section 2014.3(a)(7) and 2014.3(b)(5).

### **Rationale**

This section is necessary to set forth the requirements and criteria to qualify for extensions. The requirement that drayage trucks comply before requesting any extension is necessary to ensure drayage truck owners and controlling parties are planning ahead and are not simply seeking unjustified extensions for when they have not taken the appropriate steps and are out of compliance. Limiting extension applications to drayage truck owners or controlling parties that need them to comply with their next upcoming requirements helps reduce administrative burden by reducing the amount of time spent on invalid applications due to a lack of planning. This is also necessary to reduce time spent on extraneous or unnecessary applications where the drayage truck does not qualify or does not need the extension to comply.

It is also necessary to set forth requirements that drayage truck owners or controlling parties follow any reporting or recordkeeping requirement to support and document which extension they are utilizing. Additionally, it is necessary to inform drayage truck owners or controlling parties where they can look in the proposed regulation for information about Executive Officer responses extension requests. Finally, the clause preventing drayage truck owners or controlling parties from transferring extensions to other owners is necessary to ensure the extension is applied based on the specific situation for the drayage truck that was granted the extension.

## **Subsection 2014.2(a)(1-3).**

### **Purpose**

The purpose of this subsection is to set forth the requirements to use the Vehicle Delivery Delay extension. If zero-emission vehicles are ordered at least one year prior to the next compliance date, drayage truck owners or controlling parties may submit information below to receive an extension and continue to remain in compliance.



- Drayage truck owners or controlling parties may claim this extension by emailing the following information to TRUCRS@arb.ca.gov no later than February 1 of each calendar year, with extension filing occurring during the month of January during each calendar year.
- Identify the VIN of the vehicle that is to be replaced by the forthcoming zero-emission vehicle.
- Submit the purchase agreement showing the ZEV was ordered at least one year prior to the next compliance date to remain in compliance due to delays beyond the drayage truck owner's or controlling party's control. The purchase agreement must meet the following criteria:
  - o It is a written and legally binding contract signed at least one year before the upcoming vehicle compliance date for the vehicle being replaced. The extension cannot be claimed if the purchase agreement is modified by the drayage truck owner or controlling party within one year of the compliance deadline. Letters of intent or other agreements that are not binding or are contingent upon other decisions that remain unresolved within one year of the upcoming deadline are not sufficient to qualify for the extension.
  - o The purchase agreement must identify that a specific vehicle or agreement with a ZEs powertrain conversion installer was purchased, the date of the purchase, and that the purchase is for immediate delivery to the ultimate purchaser in California.
- If a manufacturer cancels a purchase agreement used to qualify for the extension for reasons beyond the control of the drayage truck owner or the controlling party, the drayage truck owner or controlling party must immediately secure another purchase agreement to maintain the provision.
- If a drayage truck owner or controlling party cancels a purchase agreement used to qualify for the extension, the claim for the extension will be treated as invalid and the agreement will be treated as if it were never executed.

## **Rationale**

This subsection is necessary to address situations where a ZEV ordered in advanced of the entity's compliance deadline has its delivery delayed for reasons beyond the entity's control. Drayage truck owners or controlling parties need flexibility to deal with manufacturer delivery times affected by supply chain constraints and other variables.

It is necessary to specify drayage truck owners or controlling parties submit applications through the TRUCRS@arb.ca.gov email because that is the email staff will monitor for applications. Email submissions simplify implementation, and drayage

trucks subject to this proposed regulation are expected to have internet access to submit applications.

The VIN of the vehicle to be replaced is needed to identify which vehicle will be granted the extension.

Purchase agreements are legally binding contracts and are sufficient to ensure the drayage truck owner or controlling party has a ZEV forthcoming. The vehicle must have been ordered one year in advance of the next compliance date because staff expect most vehicle delivery timelines to be complete within two years of the order, and because the vehicle was ordered at least a year in advance, the extension provides sufficient time to take delivery while addressing the unforeseen delay. Drayage truck owners or controlling parties cannot modify purchase agreements because this would result in a foreseeable delay in expected vehicle delivery. Non-binding agreements may be contingent on other decisions in situations where drayage truck owners or controlling parties have standing vehicle orders, but have not specified the needed specifications to the manufacturer. If a lack of action results in a delay, this would not be considered unforeseeable or beyond the truck owner's or controlling party's control. Specific vehicles or powertrains must be listed on the purchase agreement to ensure the forthcoming vehicle or powertrain are indeed ZE. The date of the purchase agreement is necessary to determine whether the one-year in advance criterion is met. The purchase must be for immediate delivery to the ultimate purchaser in California to avoid extension requests based on deliveries planned for later points in time. The extension would not be needed until an unforeseen delay occurs.

Manufacturer cancellations do occur, and drayage truck owners or controlling parties should have reasonable flexibility of 90 calendar days to enter into another agreement if this happens to maintain the extension. 90 calendar days is necessary to provide sufficient time to re-issue bids or place additional orders from other manufacturers. The extension would not make sense to continue if the drayage truck owner or controlling party delays purchasing ZEVs after such a cancellation, because the period of time of the delay is under the drayage truck owner's or controlling party's control. If a drayage truck owner or controlling party cancels the order, this is clearly under their control and the extension would be voided because it no longer would meet the criteria.

February 1, 2024, as a start date is necessary because the proposed regulation begins its initial ZE requirements on January 1, 2024, and CARB would need information about drayage trucks to determine compliance. Staff selected February as the reporting time frame because other regulations already require reporting during other months of the year, and stakeholders requested staff spread out reporting dates to help mitigate impacts of concurrent reporting due dates.

## **Subsection 2014.2(a)(4).**

### **Purpose**

The purpose of this subsection is to inform drayage truck owners and controlling parties utilizing the vehicle delivery delay extension to report the delivery of the newly added ZEV and to vehicle and to remove the legacy drayage truck from the CARB Online System within 30 calendar days of delivery.

### **Rationale**

This subsection is necessary for staff to have the needed information to enforce and implement the vehicle delivery delay provision. The delivery and removal of vehicles are necessary for CARB to know to implement the requirements associated with this regulation. The 30-day reporting window is necessary to give drayage truck owners and controlling parties a reasonable amount of time to report the change while ensuring the information is provided to CARB in a timely manner.

## **Subsection 2014.2(a)(5).**

### **Purpose**

The purpose of this subsection is to inform drayage truck owners or controlling parties that all reports submitted to CARB electronically are considered signed by the responsible official, and that hard-copy documentation submitted must be signed by the responsible official.

### **Rationale**

This subsection is necessary to establish that CARB will consider electronic reporting as signed by the responsible official, which reduces administrative burden of dealing with hard copy forms. This section is also necessary to establish the requirement that hard copy forms submitted must be signed, which helps CARB ensure the reports submitted are considered by a drayage truck owner or controlling party to be legitimate.

## **Subsection 2014.2(a)(6).**

### **Purpose**

The purpose of this subsection is to inform drayage truck owners and controlling parties that requests and required information for Executive Officer consideration of the extensions of sections 2015.2(a) must be submitted via email to TRUCRS@arb.ca.gov. The Executive Officer will notify the drayage truck owner or

controlling party by email whether the extension request is approved within 30 calendar days from receipt of a complete submission.

## **Rationale**

This subsection is necessary to establish the method by which drayage truck owners or controlling parties must submit requests and required information for the proposed extensions. Applications and information must be submitted by email through the TRUCRS@arb.ca.gov email because that is the email staff will monitor for applications. Email submissions simplify implementation, and drayage trucks subject to this proposed regulation are expected to have internet access to submit applications. Thirty calendar days is a necessary timeframe for staff to perform detailed analysis of submitted information and to allow for communication with applicants for clarification. Additionally, this allows for expanded capacity in processing applications, as it is feasible that multiple applications could be received and processed at the same time. Thirty calendar days also provides a reasonably fast turnaround time for drayage truck owners or controlling parties that need a decision before moving forward with purchases. Limiting the 30-day timeframe to apply only when a complete application is submitted ensures staff have adequate time to assess the entirety of an applicant's complete submission.

## **Subsection 2014.2(a)(7).**

### **Purpose**

The purpose of this subsection is to inform drayage truck owners or controlling parties utilizing the vehicle delivery delay extension of section 2015.2(a) to keep and provide records of the purchase agreement used to qualify for the extension and any records or documentation of order cancellations by the manufacturer outside the control of the drayage truck owner or controlling party.

### **Rationale**

This subsection is necessary for staff to verify and audit whether a drayage truck met the requirements for the vehicle delivery delay extension. Purchase orders are a contractual document with a date and specific VIN to show by whom and when the vehicle was purchased. Order cancellation documentation is necessary to show whether orders were cancelled for reasons beyond the control of the drayage truck owner or controlling party.

## **Subsection 2014.2(a)(8).**

### **Purpose**

The purpose of this subsection is to establish that records of reported information must be kept by the drayage truck owner or controlling party and made available to CARB staff for audit for a period of eight years from the date the information is used to demonstrate compliance. This information is to be made available to CARB staff or CARB Executive Officer within 72 hours of an official written or oral request.

### **Rationale**

This subsection is necessary to provide a sufficient historical record for staff to verify and audit compliance. The proposed regulation's implementation timeframe ranges over a decade. For drayage trucks to be considered in compliance, they must have remained in compliance with the regulation requirements. Having historical records allows staff to verify past compliance. Eight years is a reasonable timeframe to allow for auditing past compliance while balancing regulated party's burden of recordkeeping. Eight years also aligns with other CARB regulation record retention requirements, such as that required in the ACT or the Phase 2 Greenhouse Gas regulations.

Furthermore, 72 hours provides a drayage truck owner or controlling party with a reasonable amount of time to make records available to CARB staff while ensuring timely delivery and responsiveness to expedite enforcement activity.

## **Subsection 2014.2(b)(1).**

### **Purpose**

The purpose of this section is to set forth the requirements for the Infrastructure Construction Delay Extension. A drayage truck owner or controlling party may apply for this extension if they experience construction delays beyond their control on a project to purchase ZEVs and install ZEV charging or fueling stations. The Executive Officer will grant a single extension per project to delay the vehicle delivery for one year if they determine the drayage truck owner or controlling party satisfies the criteria for the delay, based on the information submitted below and the exercise of good engineering judgment. The drayage truck owner or controlling party must submit the following by email to TRUCRS@arb.ca.gov to apply:

- Submit documentation showing the executed contract for the infrastructure installation with a construction project start date at least one year prior to the next immediately applicable compliance date for the purchased vehicle.
- Submit documentation showing the delay is a result of any of the following circumstances beyond the drayage truck owner's or controlling party's control

after obtaining construction permits: change of a general contractor; delays obtaining power from a utility; delays due to unexpected safety issues; discovery of archeological, historical, or tribal cultural resources described in the CEQA; or natural disasters.

- Submit a letter signed by the responsible official and a letter from the licensed contractor performing the work or the related utility, building department, or other organizations involved in the project to CARB which includes an explanation of the reasons for the delay, why retail infrastructure cannot be used, and the estimated completion date of the project.
- Documentation showing the executed ZEV purchase agreement.

## **Rationale**

This subsection is necessary to address situations where drayage truck owners or controlling parties have begun construction on a ZEV infrastructure project and run into construction delays outside their control. The provision prevents ordered ZEVs from being delivered and being unable to operate because of delays in installing the infrastructure.

It is necessary to limit the allowed infrastructure projects to BEV charging stations and hydrogen stations because these are the only currently known types of ZEV infrastructure installations.

Granting a single one-year exemption per project allows drayage truck owners or controlling party's flexibility to apply for the extension for each infrastructure project they engage in, while preventing multiple extensions for the same project. Staff expect most infrastructure projects to complete within two years, and because the project was started at least a year in advance of applying for the extension, the year extension provides sufficient time to complete construction while addressing the unforeseen delay.

It is necessary to allow the Executive Officer and their good engineering judgement to assess applications because CARB needs to analyze submitted information and data to determine whether the provision criteria have been met.

It is necessary to specify drayage truck owners or controlling parties submit applications through the TRUCRS@arb.ca.gov email because that is the email staff will monitor for applications. Email submissions simplify implementation, and drayage trucks subject to this proposed regulation are expected to have internet access to submit applications.

The delay must be for reasons beyond a drayage truck owners' or controlling party's control so as not to create a loophole. Drayage truck owners or controlling parties must obtain construction permits before construction can begin, necessitating the requirement that permits have already been obtained. The listed criteria are necessary

as general contractors can pull out of projects, utilities can experience unforeseen delays getting power to a facility, and unexpected conflicts with safety requirements are possible. CEQA requires additional time when artifacts are discovered during construction to assess cultural significance and uniqueness, and if they are significant or unique, time to excavate and analyze the artifacts.

Signed letters from responsible officials and contractors are necessary to ensure the reasons for the delay are consistent and explained to CARB to assess the need for the extension. Retail infrastructure, if available, should be used because the extension would not be needed if there is sufficient public fueling available. The explanation must include a description of why retail infrastructure could not be used because drayage truck owners or controlling parties may have ordered vehicles that cannot use the infrastructure; however, smaller vehicles can typically charge at public stations and should do so where available. The completion date of the project is needed to determine whether the year extension is sufficient.

The executed ZEV purchase agreement is needed to ensure the drayage truck met the requirement that ZEVs were ordered at least one year in advance of the next applicable compliance deadline.

## **Subsection 2014.2(b)(2).**

### **Purpose**

The purpose of this subsection is to inform drayage truck owners and controlling parties that the Executive Officer will notify the drayage truck owner or controlling party by email whether the extension request is approved within 30 calendar days from receipt of a complete submission.

### **Rationale**

This subsection is necessary to establish a time period for the Executive Officer to respond to drayage truck owners or controlling parties that applying for the infrastructure construction delay extension.. Thirty calendar days is a necessary timeframe for staff to perform detailed analysis of submitted information and to allow for communication with applicants for clarification. Additionally, this allows for expanded capacity in processing applications, as it is feasible that multiple applications could be received and processed at the same time. Thirty calendar days also provides a reasonably fast turnaround time for drayage truck owners or controlling parties that need a decision before moving forward with purchases. Limiting the 30-day timeframe to apply only when a complete application is submitted ensures staff have adequate time to assess the entirety of an applicant's complete submission.

## **Subsection 2014.2(b)(3).**

### **Purpose**

The purpose of this section is to inform drayage truck owners or controlling parties utilizing the Infrastructure Construction Delay Extension to keep and provide copies of all documents, letters, contracts, and purchase agreements used to support their request for the exemption.

### **Rationale**

This documentation is needed for staff to verify and audit information supplied to support a fleet's request to use the exemption.

## **Subsection 2014.2(b)(4).**

### **Purpose**

The purpose of this subsection is to establish that records of reported information must be kept by the drayage truck owner or controlling party and made available to CARB staff for audit for a period of eight years from the date the information is used to demonstrate compliance. This information is to be made available to CARB staff or CARB Executive Officer within 72 hours of an official written or oral request.

### **Rationale**

This subsection is necessary to provide a sufficient historical record for staff to verify and audit compliance. The regulation's implementation timeframe ranges over a decade. For drayage trucks to be considered in compliance, they must have remained in compliance with the regulation requirements. Having historical records allows staff to verify past compliance. Eight years is a reasonable timeframe to allow for auditing past compliance while balancing regulated party's burden of recordkeeping. Eight years also aligns with other CARB regulation record retention requirements, such as that required in the ACT or the Phase 2 Greenhouse Gas regulations.

Furthermore, 72 hours provides a drayage truck owner or controlling party with a reasonable amount of time to make records available to CARB staff while ensuring timely delivery and responsiveness to expedite enforcement activity.



## **Subsection 2014.3. In-Use On-Road Heavy-Duty Drayage Trucks Enforcement**

### **Purpose**

The purpose of this section is to set forth the rights of CARB to audit records, enter facilities where vehicles or records are kept, establish penalties, and establish the regulation's severability.

### **Rationale**

This section is necessary to establish certain provisions by which the rule will be enforced.

## **Subsection 2014.3(a). Penalties**

### **Purpose**

The purpose of this section is to inform a fleet owner that, any person who fails to comply with the performance requirements of this regulation, who fails to submit any information, report, or statement required by this regulation, or who knowingly submits any false statement or representation in any application, report, statement, or other document filed, maintained, or used for the purposes of compliance with this regulation may be subject to penalties.

### **Rationale**

This section is necessary to establish that penalties may be imposed for failing to comply, report, or submitting false information for the purposes of compliance.

## **Subsection 2014.3(b). Right of Entry**

### **Purpose**

The purpose of this section is to inform a fleet owner that, an agent or employee of CARB, upon presentation of proper credentials, has the right to enter any motor carrier, broker, or hiring entity facility (with any necessary safety clearances) where vehicles are located or vehicle records, including hiring and brokering records are kept, to verify compliance.

### **Rationale**

The reason for this section is to ensure a CARB staff has access to vehicle records while conducting an audit.

## **Subsection 2014.3(c). Enforcement**

### **Purpose**

The purpose of this section is to set forth the rights of CARB to audit records, enter facilities where vehicles or records are kept, establish penalties, and establish the proposed regulation's severability.

### **Rationale**

This section is necessary to establish certain provisions by which the proposed regulation will be enforced.

## **Subsection 2014.3(d). Severability**

### **Purpose**

The purpose of this subsection is to establish a "severability" provision for this proposed regulation.

### **Rationale**

This subsection is necessary to establish that each provision of this section is severable, and in the event that any provision of this section is held to be invalid, the remainder of both this section and this article remains in full force and effect.